

BUDGET, FINANCE & INVESTMENT COMMITTEE

September 8, 2011

5:30 P.M.

Courthouse

MINUTES:

Members Present:

Comm. Charlie Baum
Comm. Joe Frank Jernigan
Comm. Will Jordan
Comm. Robert Peay, Jr.
Comm. Steve Sandlin
Comm. Doug Shafer
Comm. Joyce Ealy, Chrm.

Others Present:

Ernest Burgess
Teb Batey
Laura Bohling
Melissa Stinson
Sumner Bouldin
John Bratcher
Brian Robertson

Others Present:

Michael Gregory
Sheriff Robert Arnold
Joe Russell
Scott Broden
Paul Ivy
Elaine Short

Chairman Ealy presided and called the Budget Committee meeting to order at 5:30 P.M. with all members being present.

APPROVE MINUTES:

The minutes of the August 4, 2011 Budget Committee were presented for approval.

Comm. Jordan moved, seconded by Comm. Peay to approve the minutes as presented.

The motion passed unanimously by acclamation.

INVESTMENT REPORT:

Mr. Teb Batey, Trustee, presented the monthly Investment Report advising that no investment bids had been taken during the month. The LGIP interest rate for the month was .13%.

Mr. Batey advised that the 10-year Treasury had dropped below 2% to 1.99%. He advised that the yields were very low, and the Federal Reserve has said that they were not planning to increase short-term rates until mid-2013. He stated that banks were not as interested in receiving the money.

Following review, Comm. Jernigan moved, seconded by Comm. Jordan to approve the monthly Investment Report as presented.

The motion passed unanimously by acclamation.

RESOLUTION AUTHORIZING A POLICY FOR THE RUTHERFORD COUNTY TRUSTEE REGARDING OVER & UNDER PAYMENTS OF PROPERTY TAXES, INTEREST AND PENALTY, AND OTHER COSTS:

Mr. Batey explained that his office received a lot of checks for the payment of property taxes, interest and penalty, and other costs. He explained that sometimes the amount of the checks would deviate from the amount actually owed. He advised that currently when that happened, his staff would call the individual and ask them to bring another check for the difference. He stated that sometimes if the payment was only a few cents different, he would pay the difference through his funds. In the cases where the payment might be a few dollars more than what was due, a refund had to be issued to the individual. He explained that his office incurred the costs of mailing the refunds, and generally if the refund was only for \$2 or \$3 or less, the checks were not cashed. He stated that the outstanding checks remained on the books until his staff was able to get in touch with the payees. Sometimes the individuals asked that the refund payment be re-issued, and in such cases, a lot of times the checks were still not cashed. If the checks go uncashed for a period of time, it then has to be turned into the State as unclaimed property.

Mr. Batey advised that he was requesting approval of a proposed Resolution that would provide that if the overpayment was five dollars or less, he would retain the money in his excess fee account, unless someone requested a refund. If an underpayment was two dollars or less, he

would use the funds retained from the overpayments to pay the balance of the amount owed. He advised that currently if the payment did not agree to the penny with the amount owed, he had no leeway in correcting the situation. If the proposed Resolution was approved, it would save time, labor, and administrative costs.

Mr. Batey advised that he had worked with the auditors regarding this situation, and in talking with other Trustee's across the state, many of them are following a similar procedure in handling over and under payments.

The committee discussed whether the payers would be notified if their payment was either over or under. It was also discussed if the Resolution was adopted, would that open the door for taxpayers to short their bill by two dollars every year.

Mr. Batey advised that a copy of the receipt could be mailed to the taxpayers. He also advised that he hoped this policy would not lead to abuse of the policy, and the situation would be monitored to see if abuse became a problem.

Comm. Peay suggested that a stipulation be added to the Resolution that if the payment from an individual was underpaid two years in a row, that the individual be required to pay the amount owed.

Mr. Batey stated that it was not a huge volume, but he said over time it added up, and it slowed down the process. He stated that the time cost and the postage cost was a big factor, but the biggest problem was when the individuals did not cash the refund checks, and his staff spent a lot of time trying to get in touch with them.

Following discussion, Comm. Sandlin moved, seconded by Comm. Jernigan to approve the Resolution as originally presented and forward the same to the County Commission authorizing the Rutherford County Trustee to retain overpayments of five dollars or less in his excess fee account and that underpayments of two dollars or less would be paid from the funds retained from the overpayments.

The motion passed unanimously by acclamation.

FUND CONDITION REPORT:

Lisa Nolen, Finance Director, presented the monthly Fund Condition Report for the period ending August 31, 2011 advising that the Development Tax collections for the month totaled \$81,750 with the year-to-date collections being \$194,250. This compared to the same period last year when the monthly collections totaled \$155,250, and the year-to-date collections were \$235,500.

The fund cash balances at the end of August totaled \$128,850,766 with \$112,098,242 being operating funds and \$16,752,524 being borrowed funds. She reminded the committee that \$15 million of the borrowed funds were borrowed from the Debt Service Fund.

This compared to the cash fund balances for same period last year when the total cash balances were \$129,138,720 with operating funds being \$122,940,105 and borrowed funds being \$6,198,615.

The Finance Director distributed the revenue review report, advising that there were no unusual circumstances to report at this time.

In regard to the cash balances, Comm. Peay asked how much money was on hand for the Eagleville project.

Mrs. Nolen advised that there was \$204,818 currently allocated for the Eagleville project, which was money transferred from other projects. This money was used to pay for the design. She advised that funding for the Eagleville project would be discussed later in the meeting.

Following discussion, Comm. Jordan moved, seconded by Comm. Sandlin to approve the Fund Condition Report as presented.

The motion passed unanimously by acclamation.

INSURANCE FINANCIAL REPORT:

Mrs. Melissa Stinson, Risk Management Director, presented the monthly Insurance Financial Report advising that the cost per employee per month for the medical, dental and vision plan for the month of August was \$1,087.04. This compared to the cost per employee per month for the prior year of \$684.70. Mrs. Stinson explained that in the prior fiscal year, there were five claims that exceeded \$200,000. One of those claims was for \$1.4 million, there was one claim over \$300,000, and two claims over \$200,000. In the first two months of the current fiscal year, there have already been three claims that exceeded \$200,000. Two of the claims exceeded \$200,000, and there has been one claim that has exceeded \$400,000. With it being so early in the year, Mrs. Stinson said that there was still an opportunity for the claims history to adjust.

When the costs for the on-site clinics were included, the total cost per employee per month was \$1,118.35 compared to \$702.69 for August of the prior year. She advised that the costs for the on-site medical clinics increased significantly due to a reduction in the number of office visits, and an increase in costs. She explained that part of the increase in costs was due to the final ordering of supplies in July due to the transition to the new clinics.

She advised that for the first two months of the fiscal year there was an increase in the trend of 26.5%.

Mrs. Stinson reviewed the monthly Work Injury performance advising that the year-to-date claims paid were \$98,509.94 compared to \$119,817.49 for the same period in the prior year, or 82% of the prior year.

Comm. Sandlin asked about the inventory of the clinics with the initial review for the new on-site clinics and the startup costs.

Mrs. Stinson advised that the initial startup costs were approximately \$214,000. She advised that the inventory process had started, as the new onsite clinics took over on September 1. She advised that the main costs for the startup would be training and employment. She advised that one nurse practitioner resigned immediately prior to the transition and one medical assistant resigned, and there would be additional costs for training and implementation related to that.

Comm. Sandlin asked for an updated report next month regarding the transition to the new clinics.

Following discussion, Comm. Jernigan moved, seconded by Comm. Sandlin to approve the monthly Insurance Report as presented.

The motion passed unanimously by acclamation.

RESOLUTION PRELIMINARILY AUTHORIZING THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT BOARD OF RUTHERFORD COUNTY OF ITS INDUSTRIAL REVENUE BONDS NOT TO EXCEED \$3,100,000 FOR TOTTSER-IROQUOIS INDUSTRIES, LLC

Mr. Sumner Bouldin, Attorney for the Industrial Development Board, was present to request approval of a Resolution preliminarily authorizing, subject to the submission of satisfactory implementing documents, the issuance by the Industrial Development Board of Rutherford County of its industrial revenue bonds, in one or more series, in an aggregate principal amount of not to exceed \$3,100,000 to finance certain facilities for Tottser-Iroquois Industries, LLC.

Mr. Bouldin advised that he was requesting preliminary approval of \$3.1 million taxable revenue bonds for Tottser-Iroquois. He explained that there would be a five-year abatement on the personal property for this industry, which was an automotive support industry to be located in La Vergne, TN. They will employ 25 people at startup, which he understood would be sometime this year.

Comm. Jordan asked if the return on the investment met the criteria of three to one.

Mr. Bouldin advised that the return would be 5.9 to 1.

Comm. Peay moved, seconded by Comm. Shafer to approve the Resolution preliminarily authorizing, subject to the submission of satisfactory implementing documents, the issuance by the Industrial Development Board of Rutherford County of its Industrial Revenue Bonds, in one or more series, in an aggregate principal amount of not to exceed \$3.1 million to finance certain facilities for Tottser-Iroquois Industries, LLC.

Comm. Sandlin asked Mr. Bouldin if this was a regular five-year abatement with 0% in property taxes being paid the first year and increasing by 25% increments each year.

Mr. Bouldin explained that the abatement was for only five years, and for the five years on personal property only, Tottser-Iroquois would pay no ad valorem taxes on the personalty, but it would be as the equipment came on line. He explained that there would be one large installation of equipment, which would receive a five-year abatement, and then another installation of equipment in year three, that would receive a two-year abatement, and then a third installation of equipment that would come in year four, which would receive a one-year abatement. Mr. Bouldin explained that the real property would be leased, so there would be no real property taxes to abate.

Following discussion, the motion to approve the Resolution preliminarily authorizing, subject to the submission of satisfactory implementing documents, the issuance by the Industrial Development Board of Rutherford County of its Industrial Revenue Bonds, in one or more series, in an aggregate principal amount of not to exceed \$3.1 million to finance certain facilities for Tottser-Iroquois Industries, LLC passed unanimously by roll call vote.

AMBULANCE SERVICE FUND BUDGET AMENDMENT:

The Finance Director requested approval of the following budget amendment to recognize revenue received from a \$30,000 donation from Middle Tennessee Medical Center and to appropriate the donation to purchase mobile Gateways for the ambulances:

Increase Revenue:	118-44570 – Contributions/Gifts -	\$30,000
Increase Expend.:	118-55130-709 – Data Processing Equipment -	\$30,000

Comm. Peay moved, seconded by Comm. Shafer to approve the budget amendment for the Ambulance Service Fund as requested increasing Revenue Account 118-44570, Contributions & Gifts, and increasing Expenditure Account 118-55130-709, Data Processing Equipment, by \$30,000.

The motion passed unanimously by roll call vote.

GENERAL FUND BUDGET AMENDMENTS

CHANCERY COURT:

Mr. John Bratcher, Clerk & Master, requested approval of the following budget transfer to provide funding to pay the accumulated leave for Chancellor Corlew's court officer who left employment and a new court officer was hired. He explained that the court officer who left had about four days of vacation that he did not take. He reported that it was a situation where the position could not be left vacant for a week:

From: 101-53400-187 – Overtime Pay -	\$412
To: 101-53400-164 – Attendants -	\$412

Comm. Sandlin moved, seconded by Comm. Jernigan to approve the budget transfer for the Chancery Court as requested transferring \$412 from Account 101-53400-187, Overtime Pay, to Account 101-53400-164, Attendants.

The motion passed unanimously by roll call vote.

INFORMATION TECHNOLOGY/CIRCUIT COURT CLERK:

Mr. Brian Robertson, OIT Director, and Mrs. Laura Bohling, Circuit Court Clerk, were present to request approval of the following budget amendment to provide funding to establish a technology project manager position and the related benefits primarily for Circuit Court initially, with diminishing cost-share as projects dictated in subsequent years. The source of the funding will come from the Circuit Clerk Excess Fees and from the Data Processing Services Account in the Information Technology budget:

Increase Revenue:	101-45120 – Circuit Clerk Excess Fees -	\$50,000
From:	101-52600-317 – Data Processing Services -	\$ 8,256
To:	101-52600-121 – Data Processing Personnel -	\$43,725
	101-52600-201 – Social Security -	2,711
	101-52600-204 – State Retirement -	5,530
	101-52600-205 – Employee Insurance -	5,560
	101-52600-209 – Disability Insurance -	96
	101-52600-212 – Employer Medicare -	634

Mr. Robertson explained that the project manager would assist the Circuit Court Clerk to potentially replace her software systems. He advised that he and Mrs. Bohling had worked with the mayor to get to this point, and that Mr. Bratcher, Chancery Court Clerk, was also aware of the plan.

Mayor Burgess advised that this would be a great investment, and would have the potential for great returns. He stated that this project would potentially replace the GSA system that the Circuit Court Clerk had used for years, and the system was not appropriate to provide the level of services that needed to be provided. He reported that Mrs. Bohling was on a journey to find a way to change that and improve the situation, provide additional services, and at the same time generate some additional revenue. It would also save money on the dollars that were currently being spent on GSA. Mayor Burgess advised that Mrs. Bohling was a very thorough person and had the ability to identify the areas that needed to be worked on and improved in delivering her services.

Mrs. Bohling advised that the position being requested was a project manager. She explained that a project manager was the person who would gather all of the information and who would make sure that the project worked. Mrs. Bohling advised that she was committing to turning in additional revenue of \$50,000, which was already in her employment order, to establish this position. She stated that she was definitely committed for this being a successful process. In discussing the process with Mr. Robertson, she stated that she believed it would be better for the position to be a county position, because once the project was completed, the project manager would no longer be necessary. However, there was a lot of value that could happen within the county for additional technology projects. She stated that the project manager position would not be used just for Circuit Court, but could be used throughout the county and could really help the county grow technologically.

Mrs. Bohling explained that currently the county was spending approximately \$121,000 annually for the GSA system throughout the county. She stated that approximately \$3 million had been spent on the GSA system since 1989.

As far as a return on the investment for the new project, Mrs. Bohling estimated a return between \$2,300 to \$76,000 annually by looking at different software options and different processes. She stated that the project manager would help that process work. She stated that the new process would not only help Circuit Court, but it would also help the Sheriff's Department, Juvenile Detention, Correctional Work Center, Domestic Violence, Child Support, the District Attorney, and Probation, who all access the data. She stated that marrying the Circuit Court and the Chancery Court would potentially be a tremendous time-saving factor. She stated that there was a lot of opportunity for the position, and she was excited to be able to work together with all of the offices.

Comm. Peay asked the Circuit Court Clerk if she would be contributing almost 100% of the funding from now on.

Mrs. Bohling advised that she had committed to contributing \$50,000 of her excess fees for the next two years toward this project. She advised that she anticipated that the project would take between 18 months to three years to complete. Once the project was complete, Mr. Robertson would be looking at how he could fund the position. At that point, the position would be focused on other county projects.

Mayor Burgess asked Mrs. Bohling to explain the potential of collecting access fees to the system.

Mrs. Bohling explained that all of the products she was looking at, and on some of the products they were looking at prior to the actual change, included the option of offering a subscription service to attorneys to access the data from their offices. She stated that they had already started the back-scanning project using the archive fees, so there was already some scanned information. She stated that would generate a significant amount of revenue. She stated that each person might be requested to pay \$25 to \$35 per month to access the information. She advised that Davidson County collected well over \$250,000 annually from their subscription service.

Comm. Peay asked about records that were confidential.

Mrs. Bohling advised that all of the juvenile court records were confidential, so they would not be available for subscription service. Sealed records would be unavailable. She stated that all of the software she was looking at either had internal redaction software or the ability to add redaction software. She stated that she would always have the original document, but she would always have a redacted document, as well. She advised that restrictions would be put in place to control what cases someone could look at.

Comm. Peay asked if individuals would have to sign a release for the information to be looked at.

Mrs. Bohling advised that it was public information.

A copy of the Circuit Court's employment order was provided showing that the order included expending up to \$50,000 annually to employ a project manager specifically to support technology project changes and upgrades until such time as a new software installation was complete.

The Finance Director advised that a copy of the order was provided to show that the position was in the Circuit Court Clerk's order, but now instead of the Circuit Court Clerk paying for the position as an employee of her staff, the money would be available to put in her excess fees and be available to fund the position in the Information Technology budget.

Comm. Peay stated that if it took 18 months to implement the new system, it would not be known until that time, how much revenue would be generated.

Mrs. Bohling advised that some savings would be achieved from just looking at new software. She stated that restructuring what they were currently doing would achieve some savings. She

stated that there were seven offices that were paying to access the data that her office had already paid for.

Comm. Jordan noted that the Circuit Court Clerk's employment order was dated August 2. He stated if he understood correctly, the position was already in the budget, but only how it was being funded was changing.

Mayor Burgess advised that the budget amendment would fund the position for the remainder of the current fiscal year beginning October 17. Next year's budget would include the position for a full 12 months.

Mr. Robertson advised that this would be a very large project even for a very large IT Department. He stated that all of the OIT employees would be involved in supporting this effort. He stated that the project manager would not do the work, and they would not be a programmer. He stated that they would not be running cable or establishing networks. He stated that they probably would have an IT background. He stated that the person would more than likely have good people skills. He stated that there were IT project managers in Shelby County, Davidson County, and probably in all sizeable IT organizations. Mr. Robertson stated that he believed a nation-wide search would probably be done for the position. He stated that neither he nor Mrs. Bohling had a person in mind for the position.

Mayor Burgess also advised that there was not a potential candidate in Rutherford County's system.

Comm. Baum questioned if Mr. Robertson and Mrs. Bohling believed they could attract a higher quality candidate by presenting the position as a permanent position.

Mrs. Bohling agreed that it would be a higher quality position and would provide more value for Rutherford County, which was the fifth largest county in the state.

Comm. Sandlin asked if the \$120,000 being spent for GSA would be removed from day one or if it would be phased out.

Mrs. Bohling advised it would be phased out.

Mayor Burgess advised that it would be replaced with something more sophisticated that would produce better results, but the software would have to be purchased once the evaluation process was complete.

Comm. Sandlin asked how the amount of the amendment totaling \$58,256 was determined.

Mr. Robertson advised the amendment would provide funding with an October 17 start date. The HR Department determined that the position should start out as a pay grade 11, step 1. Based on that the amendment would provide funding for the salary and benefits from October 17 through June 30.

Mrs. Bohling stated that an October 17 start date would be really aggressive as a start date.

Comm. Sandlin asked what the full salary amount would be.

The annual salary for a pay grade 11, step 1 was reported as being \$61,450. Including the related benefits, the total amount would be approximately \$75,000 to \$80,000.

Following discussion, Comm. Jordan moved, seconded by Comm. Jernigan to approve the request from the Circuit Court Clerk and the Information Technology Director to establish a Project Manager position at a pay grade 11, step 1 with a start date of October 17; and additionally, to approve the budget amendment as presented to provide the funding for the position increasing Revenue Account 101-45120, Circuit Clerk Excess Fees, by \$50,000; transferring \$8,256 from Account 101-52600-317, Data Processing Services; and increasing

Expenditure Accounts 101-52600-121, Data Processing Personnel by \$43,725, 101-52600-201, Social Security, by \$2,711, 101-52600-204, State Retirement, by \$5,530, 101-52600-205, Employee Insurance, by \$5,560, 101-52600-209, Disability Insurance, by \$96; and 101-52600-212, Employer Medicare, by \$634.

The motion passed unanimously by roll call vote.

Comm. Peay stated that he would like for Mrs. Bohling and Mr. Robertson to report back and update the committee on the progress of the project.

PET ADOPTION & WELFARE SERVICES:

Mr. Michael Gregory, PAWS Director, was present to request approval of the following budget amendments to provide adequate funding for the Veterinary Services Account to cover the spay/neuter and rabies vouchers until the vet clinic was up and running and to provide funding from the Unassigned Fund Balance for an unexpected major repair to the HVAC system:

From: 101-55120-413 – Drugs & Medical Supplies -	\$ 7,000
To: 101-55120-357 – Veterinary Services -	\$ 7,000
From: 101-39000 – Unassigned Fund Balance -	\$10,000
To: 101-55120-335 – Maint./Repair Building -	\$10,000

Mr. Gregory advised that at the Public Safety Committee, it was recommended that he and the mayor determine how the HVAC system would be handled in the future as the system had been plagued with problems from the beginning.

Comm. Jordan asked if this was the replacement system, and if so was it not under warranty.

Mayor Burgess advised that it was the replacement system.

Comm. Jordan stated that he thought most HVAC systems had a five-year parts warranty.

Mayor Burgess advised that there was no warranty. He advised that it was not the compressor.

Mr. Gregory advised that in this particular situation, it was the coil that had to be replaced.

Mayor Burgess advised that he was looking to see if there was a better option. He explained that most buildings of this nature have multiple smaller units, and there was not as much exposure if one of the units went out. He advised that the building was designed with one set of duct work for one unit. He advised that installing multiple units was an option, but the duct work would have to be rearranged, which would be a major expense.

Comm. Shafer asked if the Public Building Authority was still in existence. He stated that something should be done about the unit.

Mayor Burgess advised that the unit had been repaired.

Following discussion, Comm. Jordan moved, seconded by Comm. Sandlin to approve the budget amendments for the PAWS as requested transferring \$7,000 from Account 101-55120-413, Drugs and Medical Supplies, to Account 101-55120-357, Veterinary Services; and amending \$10,000 from Account 101-39000, Unassigned Fund Balance, to Account 101-55120-335, Maintenance & Repair Building.

Comm. Shafer stated that at the Public Safety Committee it was requested that the mayor find someone who could develop a better HVAC system. He asked if the PBA could be requested to research the HVAC system to determine if a better system could be developed.

Mayor Burgess advised that the PBA would probably do the same thing that he would do, and that would be to hire an engineer. He advised that there was money in an engineering account in the mayor's budget, and if necessary he could spend some of that to get a professional person to look at the system.

Following discussion, the motion to approve the budget amendments for the PAWS as requested transferring \$7,000 from 101-55120-413, Drugs and Medical Supplies, to Account 101-55120-357, Veterinary Services; and amending \$10,000 from Account 101-39000, Unassigned Fund Balance, to Account 101-55120-335, Maintenance & Repair Building, passed by roll call vote with Comm. Peay voting "no".

THE SHERIFF'S DEPARTMENT & JAIL:

Sheriff Robert Arnold and Chief Deputy Joe Russell, were present to request approval of the following budget amendments to recognize revenue from conference registration payments to be used for In-Service Training; to recognize revenue from the sale of memorial bricks to be used for Other Contracted Services; to recognize revenue from contributions to be used for Other Contracted Services for 911 Memorial, K-9 and Explorers; to recognize revenue from the sale of recycled materials to be used for Maintenance & Repair of the Building; to recognize revenue from the sale of recycled materials to be used for Food Preparation Supplies; to recognize revenue received from contributions to be used for the SCAN Program and Operation Integrity; to recognize revenue received from the sale of materials and supplies to be used for the Detention Office Supplies; to recognize revenue received from contributions to be used for Other Supplies & Materials for the community vegetable garden; to recognize revenue from a State Inmate Medical reimbursement to be used for the Detention's Other Contracted Services Account; to recognize revenue from the sale of recycled materials to be used for Other Contracted Services:

Increase Revenue:	101-48130 – Contributions -	\$ 14,875
Increase Expend.:	101-54110-196 – In-Service Training -	\$ 14,875
Increase Revenue:	101-44130 – Sale of Supplies & Materials -	\$ 4,100
Increase Expend.:	101-54110-399 – Other Contracted Services -	\$ 4,100
Increase Revenue:	101-44570 – Contributions/Gifts -	\$ 1,270
Increase Expend.:	101-54110-399 – Other Contracted Services -	\$ 1,270
Increase Revenue:	101-44145 – Sale of Recycled Materials -	\$ 357
Increase Expend.:	101-54210-335 – Jail/Maint./Repair Building -	\$ 357
Increase Revenue:	101-44145 – Sale of Recycled Materials -	\$ 101
Increase Expend.:	101-54210-421 – Jail/Food Preparation Supplies -	\$ 101
Increase Revenue:	101-44570 – Contributions & Gifts -	\$ 305
Increase Expend.:	101-54110-499 – Other Supplies & Materials -	\$ 305
Increase Revenue:	101-44130 – Sale of Supplies & Materials -	\$ 252
Increase Expend.:	101-54210-435 – Jail/Office Supplies -	\$ 252
Increase Revenue:	101-44570 – Contributions/Gifts -	\$ 500
Increase Expend.:	101-54210-499 – Jail/Other Supplies & Mat. -	\$ 500
Increase Revenue:	101-48990 – Other -	\$ 17,774
Increase Expend.:	101-54210-399 – Jail/Other Contracted Services -	\$ 17,774
Increase Revenue:	101-44145 – Sale of Recycled Materials -	\$ 1,481
Increase Expend.:	101-54110-399 – Sheriff/Other Contracted Serv. -	\$ 1,481

Comm. Sandlin moved, seconded by Comm. Shafer to approve the budget amendments for the Sheriff's Department and Jail as presented.

Comm. Baum stated that he understood that the various revenue received was not anticipated in the budget originally. He asked the Sheriff if he was compelled to budget these sources of revenue into the various expenditure accounts or could something else be done with them such as pool them altogether to purchase another Crown Victoria.

Chief Russell stated that sometimes the various divisions solicited donations, and then when donations were received they requested that they be used for the respective divisions as part of the overall programs.

Sheriff Arnold also stated that when individuals give a donation, they generally earmark it for how they want it to be used.

Following discussion, the motion to approve the budget amendments for the Sheriff's Department and Jail as presented increasing Revenue Account 101-48130, Contributions, by \$14,875 and increasing Expenditure Account 101-54110-196, In-Service Training, by \$14,875; increasing Revenue Account 101-44130, Sale of Supplies & Materials, by \$4,100 and increasing Expenditure Account 101-54110-399, Other Contracted Services, by \$4,100; increasing Revenue Account 101-44570, Contributions and Gifts, by \$1,270 and increasing Expenditure Account 101-54110-399, Other Contracted Services by \$1,270; increasing Revenue Account 101-44145, Sale of Recycled Materials, by \$357 and increasing Expenditure Account 101-54210-335, Jail/Maintenance and Repair Building by \$357; increasing Revenue Account 101-44145, Sale of Recycled Materials, by \$101 and increasing Expenditure Account 101-54210-421, Jail/Food Preparation Supplies by \$101; increasing Revenue Account 101-44570, Contributions and Gifts, by \$305 and increasing Expenditure Account 101-54110-499, Other Supplies and Materials, by \$305; increasing Revenue Account 101-44130, Sale of Supplies and Materials, by \$252 and increasing Expenditure Account 101-54210-435, Jail/Office Supplies, by \$252; increasing Revenue Account 101-44570, Contributions & Gifts, by \$500 and increasing Expenditure Account 101-54210-499, Jail/Other Supplies and Materials, by \$500; increasing Revenue Account 101-48990, Other, by \$17,774 and increasing Expenditure Account 101-54210-399, Jail/Other Contracted Services, by \$17,774; increasing Revenue Account 101-44145, Sale of Recycled Materials, by \$1,481 and increasing Expenditure Account 101-54110-399, Other Contracted Services, by \$1,481.

The motion passed unanimously by roll call vote.

RESOLUTION AUTHORIZING THE RUTHERFORD COUNTY ADULT DETENTION CENTER TO INSTITUTE A FEE FOR ITEMS ISSUED TO INMATES AT THE TIME OF EACH NEW ADMISSION:

Sheriff Arnold and Chief Deputy Russell requested approval of a Resolution permitting the administrator of the Rutherford County Adult Detention Center to institute fees for items issued to inmates at the time of each new admission to the Rutherford County Adult Detention Center.

Chief Russell advised that at the Public Safety Committee meeting it was asked how much revenue this would generate. He advised that they would charge the amount that was actually paid for the items. At today's prices, a male would be charged \$7.03 and a female would be charged \$7.49 when they were booked in. He explained that for that cost the inmate would receive socks, towel, washcloth, laundry bag, underwear, comb, soap, deodorant, toothbrush, toothpaste, and a spork (spoon/fork utensil). He stated that everything that they had to provide the inmates would cost over \$100, but they would only be asking reimbursement for \$7.03 and \$7.49.

Comm. Sandlin moved, seconded by Comm. Peay to approve the Resolution and forward the same to the County Commission authorizing the Rutherford County Adult Detention Center to institute fees for items issued to inmates at the time of each new admission to the Rutherford County Adult Detention Center.

Finance Director Nolen asked, for clarification, if the fees for the items would go through the commissary and be turned in as part of the commissary fees.

Sheriff Arnold advised that yes this would be a part of the commissary fees. He explained that this would be a charge to inmates who had money to be put into an account at the time of their admission to the facility. He advised that the items would have to be provided for the indigent inmates at no cost to the inmate.

Following discussion, the motion to approve the Resolution and forward the same to the County Commission authorizing the Rutherford County Adult Detention Center to institute fees for items issued to inmates at the time of each new admission to the Rutherford County Adult Detention Center passed unanimously by roll call vote.

SHERIFF'S DEPARTMENT HORSE BARN LEASE:

Chairman Ealy advised that at the August 25 Property Management Committee meeting the committee voted unanimously to forward a recommendation to the Budget Committee to approve the Lease Agreement with Ricky Womack as presented upon changing the signature blank from the Sheriff to the County Mayor, and clarification of the second sentence in the second paragraph of #7 regarding providing general maintenance to the non-exclusively leased premises.

Chairman Ealy explained that it was her understanding that the Budget Committee did not need to take action on the recommendation as the Sheriff had money in the budget to cover the lease payments.

Sheriff Arnold advised that he had talked to Jon Levi, and Mr. Levi had advised that there was an organization in Murfreesboro that had agreed to pay the first year's lease payments.

Comm. Jordan moved, seconded by Comm. Shafer to approve the concept of the horse barn Lease Agreement with Ricky Womack as recommended by the Property Management Committee.

The motion passed unanimously by acclamation.

REPORT ON JAIL KITCHEN CONDITIONS:

Sheriff Arnold distributed a letter from Beth Ashe, Executive Director, of the Tennessee Corrections Institute regarding the recently conducted annual inspection of the Rutherford County Adult Detention Facility.

Sheriff Arnold advised that the kitchen would have to be shut down for approximately 30-60 days to make some repairs. He reported that the State of Tennessee considered the Rutherford County Adult Detention Center as one of the larger jails in the state; and therefore, would hold Rutherford County accountable to a higher standard. He advised that the state would be coming back on September 20 for a re-inspection. He stated that he was very confident that the jail would pass the re-inspection, but that they would have to develop a plan for the kitchen. He explained that the kitchen was designed to feed approximately 350 inmates. However, the jail could house up to 954 inmates. Therefore, the state has said that the kitchen should be designed to feed and store food for up to 954 inmates. He advised that in working with the mayor, he was in the process of developing a plan.

Sheriff Arnold advised that while the kitchen was shut down, ABL and the Correctional Work Center would be preparing the meals. He advised that an Agreement was being developed on the cost for ABL to prepare the meals and transport them to the Adult Detention Center.

Sheriff Arnold advised that they would come back through the committee process when the complete plan had been developed.

Comm. Sandlin asked if Sheriff Arnold was talking about expanding the kitchen.

Mayor Burgess advised that there were two issues. The first issue would be to bring the current kitchen up to standard, which consisted largely of some floor repairs. The second phase would be to expand the kitchen and renovate the current flow and operations to handle the increased capacity. He advised that the first phase would be a 30-60 day time period that the Correctional Work Center would be preparing the meals and transporting them to the Adult Detention Center in bulk.

Sheriff Arnold explained that during the 30-60 day period, they would be feeding the inmates two meals per day instead of three meals per day. He explained that under state law, two hot meals a day had to be provided, and he stated that a snack would be provided as well. He advised that the calorie intake would actually be increased.

Mayor Burgess advised that the first phase of repairs would be handled through the current budget. He advised that phase two would require a different funding mechanism.

ASSISTANCE TO FIREFIGHTERS GRANT APPLICATION:

Chairman Ealy advised that at the August 22 Public Safety Committee meeting, Fire Chief Larry Farley advised that he was requesting permission to apply for AFG grants to potentially purchase a ladder truck, another rescue vehicle and equipment to refill air packs. If awarded, the grants would require a match, but this money will be phased out over the next couple of years. The Property Management Committee voted unanimously to approve the application for the AFG grants.

It was also reported that if the AFG Grants were approved, they would be in next year's budget.

Mayor Burgess advised that two grant applications were being prepared – one for the ladder truck and one for the air packs. He stated that in the event approval of the grants were received, they would not be received or be able to be spent until next fiscal year. At that time, the committee would be asked to approve acceptance of the grants and the matching funds.

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED FIFTY MILLION SEVEN HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$50,725,000.00) OF GENERAL OBLIGATION BONDS:

Chairman Ealy advised that the purpose of the Initial Resolution was to alert the community that the County Commission was considering borrowing up to \$50,725,000. She advised that the county was required to publish the intent in a newspaper having general circulation in the county. The public will then have 20 days after the date of publication to respond by petition if they disagreed.

The final Resolution will be presented to the Budget Committee and the County Commission in October. The borrowing will provide funding for Stewarts Creek High School and the Eagleville addition.

The Finance Director provided a list reflecting the timing of funds needed. For the fall of 2011, funds needed for Stewarts Creek High School totaled \$46,344,102. Funds needed for the Eagleville Addition – Phase 2 totaled \$3,529,360. Funds needed to share with the City of Murfreesboro totaled \$345,842 due to the fact that the Eagleville School was a K-12 school, and therefore K-6 funds would be shared.

The committee questioned that if the classrooms were built for the high school, why the county would be required to share with the City of Murfreesboro.

The Finance Director asked if only high school students would always use the classrooms.

Mayor Burgess advised that funding for the Eagleville addition would be used to construct additional classrooms to replace the portable classrooms.

Mr. Jeff Sandvig advised that currently mostly high school students were in the portable classrooms. He stated that in past borrowings a decision was made to split the borrowed funds based on 13 grades, because at some point the elementary students might use those classrooms. He stated that this was consistent with what had been done in the past.

Mayor Burgess advised that the amount for Stewarts Creek High School totaling \$46,344,102 included both the hard costs and the soft costs. He reported that the bid for the construction of Stewarts Creek High School was \$39,606,000, but the total amount needed to borrow would include architectural fees, furniture, fixtures and equipment, inspections and utility costs.

Comm. Sandlin asked about the utility cost since there was already sewer on the property.

Mayor Burgess advised that was being reviewed.

Mr. Sandvig also stated that he was sure Mr. Clardy would have included some contingency.

Following discussion, Comm. Jernigan moved, seconded by Comm. Jordan to approve the Initial Resolution and forward the same to the County Commission authorizing the issuance of not to exceed Fifty Million Seven Hundred Twenty-Five Thousand Dollars (\$50,725,000.00) of General Obligation Bonds of Rutherford County, Tennessee.

The Finance Director advised that this was the notice to the public for the total estimated costs of the school projects. She advised that the final Resolution would be coming back through the committee process in October.

Comm. Jordan stated that the County Commission had not said for sure that the Eagleville Project would be done. He stated that money might need to be borrowed for the Joe B. Jackson Parkway.

Mayor Burgess advised that he did not believe the county would have to fund money for the Joe B. Jackson Parkway in this fiscal year.

The Finance Director advised that the Initial Resolution only included money to be borrowed for schools. She stated that this would give the community the opportunity to protest.

Comm. Baum asked why the amount of \$50,725,000 was being published.

The Finance Director advised that the amount included an estimate of 1% for underwriter's discount.

Comm. Sandlin asked about the Impact Fees charged by the Town of Smyrna.

Mr. Sandvig advised that by paying the Impact Fees to the Town of Smyrna, the Town of Smyrna provided services that more than equaled the amount of the Impact Fees.

Comm. Sandlin asked if there would be an Impact Fee for the high school.

Mr. Sandvig stated that he did not believe there would be Impact Fees for the high school, and that the amount of the Impact Fees previously paid was for the entire site.

Comm. Sandlin stated that he would like to see the total picture.

Following discussion, the motion to approve the Initial Resolution and forward the same to the County Commission authorizing the issuance of not to exceed Fifty Million Seven Hundred Twenty-Five Thousand Dollars (\$50,725,000.00) of General Obligation Bonds of Rutherford County, Tennessee passed unanimously by roll call vote.

ADJOURNMENT:

Comm. Shafer advised that the La Vergne Old Timer's Day would be taking place on September 15, 16, and 17.

Comm. Sandlin advised that his daughter won the Tennessee State Fair Grand Champion for country ham.

There being no further business to be presented at this time, Chairman Ealy adjourned the meeting at 7:00 P.M.

Elaine Short, Secretary